

NOTICE OF RULE MAKING

Arkansas Department of Human Services

Pursuant to the U.S. Omnibus Budget Reconciliation Act of 1981 and Ark. Code Ann. 20-76-201, the Chief Fiscal and Administrative Officer, Office of Finance and Administration, proposes revised rule entitled “DHS 1066, Performance-Based Contracting Policy.”

Policy 1066 was updated to correct and amplify the requirements for performance indicators. Changes include the following:

- 1066.2.0 The policy now applies to all professional and consultant service (PCS) contracts **except** those that are:
- sole source by law contracts in which the state is compelled as a result of court, state or federal mandate to award for services from a specific provider
 - executed as Emergency contracts
 - for Architectural and Engineering services that are awarded using Arkansas Building Authority (ABA) criteria
 - for \$10,000.00 or less (compensation and reimbursable).
- 1066.2.D **Added**: “DHS strongly encourages the use of performance indicators for ALL PCS contracts regardless of the dollar value or procurement method unless the DHS division/office director determines performance evaluation would not be cost effective.”
- 1066.3.2 **Revised** “Goal” to “Benchmark Objective.”
- 1066.3.7 **Deleted from definitions**: “Administrative Appeal - This process set out in Arkansas Administrative Procedures Act, Ark. Code Ann. § 25-15-101, et seq.”
- 1066.4.6 **Added**: “Performance based standards must be re-approved by OCC at least every seven (7) years.”
- 1066.5.2 **Deleted** the following items as part of the end-of-year closeout procedures:
- “Report to Office of Administrative Services (OAS), Contract Support Section (CSS), any that have performed at an Unsatisfactory level along with a short synopsis of the problem and the ultimate remedy that was applied.”
 - “Report to OAS/CSS that the performance of all remaining contracts was considered Satisfactory.”
 - “Per Act 1255 of 1993, DHS must provide a summary report to the legislative Joint Committee on Public Health, Welfare, and Labor listing the overall assessment of performance of each contract at the end of each state fiscal year.”

Copies of the rule may be obtained by writing to the DHS Office of Finance and Administration, Human Resources/Support Services Section, P.O. Box 1437, Slot W403, Little Rock, AR 72203-1437, Attention: Policy and Administrative Program Management. All comments must be submitted in writing within 30 days following the date of the initial newspaper notice.

The Department of Human Services, Office of Finance and Administration, is in compliance with Titles VI and VII of the Civil Rights Act and is operated, managed, and delivers services without regard to age, religion, disability, political affiliation, veteran status, sex, race, color, or national origin.

Alternate formats (large print, audio tapes, etc.) will be provided upon request.

Jerry Berry, Chief Fiscal & Administrative Officer
Office of Finance & Administration

Date